

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF KENTUCKY-AMERICAN WATER)
COMPANY TO INCREASE ITS RATES) CASE NO. 95-554

O R D E R

IT IS ORDERED that the Attorney General, by and through his Public Service Litigation Branch, shall file the original and 9 copies of the following information with the Commission with a copy to all parties of record no later than June 17, 1996. Careful attention should be given to copied material to ensure that it is legible.

Refer to Kentucky-American Water Company ("Kentucky-American") Exhibit 36.

1. Explain the basis for not including the Customer Service Expense classified as Supervision in the amount of \$280,972 from your calculation of the customer charge.
2. Explain the basis for not allocating any of the uncollectible accounts expense of \$100,800 to the customer charge.
3. Explain why depreciation on office equipment and computers and software should not be partially allocated to the customer charge.

Done at Frankfort, Kentucky, this 3rd day of June, 1996.

PUBLIC SERVICE COMMISSION

ATTEST:


Executive Director


For the Commission